

Co-operative Federation of Victoria Ltd

Minutes of board meeting of 12 October 2006, Substitution Pty Ltd, 1/484 William Street, North Melbourne.

Present: Niel Black, Graeme Charles, David Dinning, Tony O'Shea (Chairman) and David Griffiths (Secretary)

1. Minutes

That the minutes of the meeting of 10 August 2006 as amended be signed by the Chairman as a true and accurate record.

It was agreed that the minutes should be amended to include that consideration was given to the audit requirements for CFV as a small co-operative and the option of converting from a co-operative to an association.

2. Insurance

That the Directors and Officers Liability insurance of \$2313 be paid but that the Rules be reviewed if they require this insurance.

3. Audit

A number of changes were identified for Graeme Charles to raise with the auditor:

- Tony O'Shea is a continuing Chairman and not the past chairman.
- The deletion of when directors were appointed unless there were audit reasons for retention.
- The addition of Helen Keelings as a director who attended one meeting and was absent from a second meeting.
- That the income item "Consultancy fees" and the expense item "Secretary's Consultants fees" be noted in the Income Statement as being related.
- The retained surplus at the end of the financial year should have brackets removed.
- That references to the "company" on page 14 be changed to "co-operative".

4. Co-operative Education

Graeme Charles reported on the status of the co-operative education initiatives.

He reported that he was meeting with the Chairman of Murray Goulburn and the National Centre for Dairy Education on 13 October 2006.

It was noted that the following initiatives would be undertaken:

- Approaching the Co-operative College regarding the preparation of a brochure as proposed in Chris Cooper's report.
- Proposing a second workshop for Capricorn for middle and first line managers and the possibility of second 'bolted on' train the trainer event.
- Proposing a similar arrangement with Murray Goulburn pending the discussion with the Chairman.
- Clarifying with the Chairman of Murray Goulburn the proposal in the Gardiner Foundation application for regional workshops.
- Clarifying with the Gardiner Foundation any expectations and conditions for the regional workshops.
- Initiating a discussion with the National Credit Union association on the possibility of an open workshop.
- Developing proposals for the Dairy Milk Co-operative (NSW), Tatura Milk Industries and the Warrnambool Co-operative Society Ltd.
- Follow-up proposals already forwarded to Bega Cheese and the Batlow Fruit Co-operative.

It was also noted that there should be appropriate follow-up with Genetics Australia and GHI.

There was discussion on the advisability of attending this year's Monash agribusiness Workshop in NSW to strategically advance our workshops or to enable follow-up contacts at or outside the workshop.

That attendance by Graeme Charles at the Monash workshop be supported and funded.

Graeme Charles said that he would advise the board on whether or not he would attend.

It was agreed that a second news release on the co-operative education initiative should be developed.

5. Financial

Two reports prepared by Graeme Charles were considered:

- Cash Receipts and Payments Statement for period 1 July – 3 October 2006
- Financial report – Co-operative Identity Program

6. Small Co-operatives

There was discussion that all co-operatives in Victoria are required to have their accounts audited.

It was agreed that small co-operatives with a small annual turnover and limited assets should not be required to use an auditor because this imposes a disproportionate cost on the co-operative.

It was noted that Registered Associations in Victoria were exempt from the requirement of using an auditor if their gross annual revenue is under A\$200,000 or their assets are under A\$500,000. The application of this automatic exemption to registered associations but not to registered co-operatives is discriminatory.

It was also noted that this provision had two other consequences:

- Discouraging individuals and community groups from forming co-operatives.
- Discouraging small co-operatives from remaining co-operatives.

It was agreed to forward a submission to CAV, the Minister responsible for CAV and the appropriate Opposition spokesperson.

7.AGM

It was noted that the new date for the AGM was 16 November 2006 and the Urban Camp Co-operative be asked if the AGM could be held at the Camp.

It was agreed to advise Urban Camp that CFV did not want liquor to be provided.

It was agreed to invite Westgate Health to attend the board meeting preceding and the AGM on 16 November 2006.

8. Submission on Co-operatives Regulations 1997

It was noted that receipt of the submission had not been acknowledged.

9. Co-operativesWA

That the board endorse discussions between CFV and Co-operativesWA on the possibility of joint activities between CFV and Co-operativesWA including the formation of a new national body with other States invited to be involved.

10. Housing Co-operatives and the Victorian Government

It was noted that the Department of Human services was not supportive of rental housing co-operatives remaining co-operatives and it was agreed to forward letters on this to the Premier, the Minister for Housing and the Opposition Leader.

11. Tatura

Niel raised the issue of how Tatura was considering its options – including the possibility of demutualisation. He said it was important for members of Tatura to consider what they would lose in the long term if they supported demutualisation for short-term gain and that they needed to recognise that the assets of the co-operative had been created over time and should not just be regarded as the assets of the current members. He said these were important themes of the Co-operative Identity Workshops. He said that he proposed the preparation of an article on these issues for the Weekly Times. The board supported and commended this initiative.

Next Meeting: 10: 0.0. am, 16 November 2006

Prepared by David Griffiths: 13 October 2006

Approved by Tony O'Shea: 13 October 2006

Emailed to directors: 13 October 2006